LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7333 NOTE PREPARED: Jan 13, 2013

BILL NUMBER: HB 1316 BILL AMENDED:

SUBJECT: Higher Education Stipends.

FIRST AUTHOR: Rep. Clere BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation</u>: High Need Student Teaching Stipend - The bill establishes the High Need Student Teaching Stipend Fund (Fund). It also adds a definition of "high need fields". The bill requires the Fund to be used to provide stipends to enable students to teach upon graduation in accredited schools in Indiana in special education or high need fields.

Minority Student Teaching Stipend Fund - The bill establishes the Minority Student Teaching Stipend Fund to provide stipends to minority students who will participate in student teaching as part of their degree requirements.

Repealed Funds - The bill repeals provisions establishing: (1) the Nursing Scholarship Fund; and (2) the Minority Teacher or Special Education Services Scholarship Fund used to provide scholarships for minority students and for students who intend to teach special education or practice occupational or physical therapy after graduation.

The bill makes conforming amendments.

Effective Date: July 1, 2013.

Explanation of State Expenditures: *High Need Student Teaching Stipend* - The bill would create the High Need Student Teaching Stipend to be paid to students when they do their student teaching in special education or a high need field. The stipend is \$5,000 if the student's GPA 3.5 based on a 4 point scale and \$4,000 if the student's GPA is between 3.0 and 3.5.

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The stipend is paid from the High Need Student Teaching Stipend Fund. The Nursing Scholarship Fund is repealed and the balance in the fund on June 30, 2013 is transferred to the High Need Student Teaching Stipend Fund. On June 30, 2012, the Nursing Scholarship Fund has assets of about \$172,926 and awarded scholarships of about \$326,501 to 313 nurses. The annual General Fund appropriation was \$377,179 to the Nursing Scholarship Fund. If the same appropriation is used to provide stipends between 75 and 94 students could receive a student teaching stipend annually.

Minority Student Teaching Stipend Fund - The bill would create the Minority Student Teaching Stipend to be paid to students when they do their student teaching in special education or a high need field. The stipend is \$5,000 if the student's GPA 3.5 based on a 4 point scale and \$4,000 if the students GPA is between 3.0 and 3.5.

The stipend is paid from the High Need Student Teaching Stipend Fund. The Minority Teacher or Special Education Services Scholarship Fund is repealed and the balances in the fund on June 30, 2013 are transferred to the Minority Student Teaching Stipend Fund. On June 30, 2012, the Minority Teacher or Special Education Services Scholarship Fund had assets of about \$33,030 and awarded scholarships of \$328,383 to 151 students. The annual General Fund appropriation was \$415,919 to the Minority Teacher or Special Education Services Scholarship Fund. If the same appropriation is used to provide stipends between 83 and 103 students could receive a student teaching stipend annually.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Higher Education Commission.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.

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